

AMENDED IN ASSEMBLY MARCH 29, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2564**

---

**Introduced by Assembly Member Cooper**

February 19, 2016

---

An act to amend Section 44258.4 of the Health and Safety Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 2564, as amended, Cooper. Clean Vehicle Rebate ~~Project~~.  
*Project: income eligibility.*

Existing law establishes the Air Quality Improvement Program that is administered by the State Air Resources Board for the purposes of funding projects related to, among other things, the reduction of criteria air pollutants and improvement of air quality. Pursuant to its existing statutory authority, the state board has established the Clean Vehicle Rebate Project, as a part of the Air Quality Improvement Program, to promote the production and use of zero-emission vehicles by providing rebates for the purchase of new zero-emission vehicles.

~~This bill would declare the intent of the Legislature to enact legislation to establish income eligibility requirements for clean vehicle rebates under the Clean Vehicle Rebate Project.~~

*The Charge Ahead California Initiative requires the state board to adopt, no later than June 30, 2015, revisions to the criteria and other requirements for the Clean Vehicle Rebate Project to, among other things, limit eligibility based on income.*

*This bill would, for all eligible vehicle types except fuel cell electric vehicles, establish the maximum gross annual income at unspecified levels for a person to be eligible for a rebate under the project.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 44258.4 of the Health and Safety Code  
2     is amended to read:  
3     44258.4. (a) Any moneys utilized by this act from the  
4     Greenhouse Gas Reduction Fund, established pursuant to Section  
5     16428.8 of the Government Code, shall be consistent with the  
6     appropriations processes and criteria established by the Greenhouse  
7     Gas Reduction Fund Investment Plan and Communities  
8     Revitalization Act (Chapter 4.1 (commencing with Section 39710)  
9     of Part 2).  
10    (b) The Charge Ahead California Initiative is hereby established  
11    and shall be administered by the state board. The goals of this  
12    initiative are to place in service at least 1,000,000 zero-emission  
13    and near-zero-emission vehicles by January 1, 2023, to establish  
14    a self-sustaining California market for zero-emission and  
15    near-zero-emission vehicles in which zero-emission and  
16    near-zero-emission vehicles are a viable mainstream option for  
17    individual vehicle purchasers, businesses, and public fleets, to  
18    increase access for disadvantaged, low-income, and  
19    moderate-income communities and consumers to zero-emission  
20    and near-zero-emission vehicles, and to increase the placement of  
21    those vehicles in those communities and with those consumers to  
22    enhance the air quality, lower greenhouse gases, and promote  
23    overall benefits for those communities and consumers.  
24    (c) The state board, in consultation with the State Energy  
25    Resources Conservation and Development Commission, districts,  
26    and the public, shall do all of the following:  
27    (1) (A) Include, commencing with the Air Quality Improvement  
28    Program funding plan for the 2016–17 fiscal year, a funding plan  
29    that includes the immediate fiscal year and a forecast of estimated  
30    funding needs for the subsequent two fiscal years commensurate  
31    with meeting the goals of this chapter. Funding needs may be  
32    described as a range that identifies the projected high and low  
33    funding levels needed for the two-year forecast period to contribute  
34    to technology advancement, market readiness, and consumer  
35    acceptance of zero- and near-zero-emission vehicle technologies.

1 The funding plan shall include a market and technology assessment  
2 for each funded zero- and near-zero-emission vehicle technology  
3 to inform the appropriate funding level, incentive type, and  
4 incentive amount. The forecast shall include an assessment of  
5 when a self-sustaining market is expected and how existing  
6 incentives may be modified to recognize expected changes in future  
7 market conditions.

8 (B) Projects included in the forecast may include, but are not  
9 limited to, any of the following:

10 (i) The Clean Vehicle Rebate Project, established pursuant to  
11 Section 44274.

12 (ii) Light-duty zero-emission and near-zero-emission vehicle  
13 deployment projects eligible under the Alternative and Renewable  
14 Fuel and Vehicle Technology Program, established pursuant to  
15 Article 2 (commencing with Section 44272) of Chapter 8.9.

16 (iii) Programs adopted pursuant to paragraph (4).

17 (2) Update the plan required pursuant to paragraph (1) at least  
18 every three years through January 1, 2023.

19 (3) No later than June 30, 2015, adopt revisions to the criteria  
20 and other requirements for the Clean Vehicle Rebate Project,  
21 established pursuant to Section 44274, to ensure the following:

22 (A) Rebate levels can be phased down in increments based on  
23 cumulative sales levels as determined by the state board.

24 (B) (i) Eligibility is limited based on income.

25 (ii) *For all eligible vehicle types except fuel cell electric vehicles,*  
26 *the gross annual income, as reported on Line 22 of the Internal*  
27 *Revenue Service Form 1040, Line 15 of the Internal Revenue*  
28 *Service Form 1040A, or Line 4 of the Internal Revenue Service*  
29 *Form 1040EZ, for a person to be eligible for a rebate under the*  
30 *project shall not exceed the following:*

31 (I) \_\_\_\_ dollars (\$\_\_\_\_) for single filers.

32 (II) \_\_\_\_ dollars (\$\_\_\_\_) for head-of-household filers.

33 (III) \_\_\_\_ dollars (\$\_\_\_\_) of joint filers.

34 (C) Consideration of the conversion to prequalification and  
35 point-of-sale rebates or other methods to increase participation  
36 rates.

37 (4) (A) Establish programs that further increase access to and  
38 direct benefits for disadvantaged, low-income, and  
39 moderate-income communities and consumers from electric  
40 transportation, including, but not limited to, any of the following:

1 (i) Financing mechanisms, including, but not limited to, a loan  
2 or loan-loss reserve credit enhancement program to increase  
3 consumer access to zero-emission and near-zero-emission vehicle  
4 financing and leasing options that can help lower expenditures on  
5 transportation and prequalification or point-of-sale rebates or other  
6 methods to increase participation rates among low- and  
7 moderate-income consumers.

8 (ii) Car sharing programs that serve disadvantaged communities  
9 and utilize zero-emission and near-zero-emission vehicles.

10 (iii) Deployment of charging infrastructure in multiunit  
11 dwellings in disadvantaged communities to remove barriers to  
12 zero-emission and near-zero-emission vehicle adoption by those  
13 who do not live in detached homes. This clause does not preclude  
14 the Public Utilities Commission from acting within the scope of  
15 its jurisdiction.

16 (iv) Additional incentives for zero-emission, near-zero-emission,  
17 or high-efficiency replacement vehicles or a mobility option  
18 available to participants in the enhanced fleet modernization  
19 program, established pursuant to Article 11 (commencing with  
20 Section 44125) of Chapter 5.

21 (B) Programs implemented pursuant to this paragraph shall  
22 provide adequate outreach to disadvantaged, low-income, and  
23 moderate-income communities and consumers, including partnering  
24 with community-based organizations.

25 ~~SECTION 1. It is the intent of the Legislature to enact~~  
26 ~~legislation to establish income eligibility requirements for clean~~  
27 ~~vehicle rebates under the Clean Vehicle Rebate Project.~~